

Harper Court Holdings, LLC

5235 S. Harper Court • 9th Floor • Chicago, IL 60615 • 773-742-8895

January 20, 2017

Mark Sagun, Assistant Commissioner
TIF Administration
City of Chicago Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602

**Re: Harper Court Redevelopment Agreement dated October 20, 2011
Annual Compliance Report**

Dear Mr. Sagun:

Reference is hereby made to that certain Harper Court Redevelopment Agreement by and among the City of Chicago, CJUF III Harper Court LLC and Lake Park Associates, Inc. (“**Lake Park**”) dated as of October 20, 2011, and recorded with the Cook County Recorder of Deeds on October 21, 2011 as document number 1129433336 (the “**RDA**”). Harper Court Holdings, LLC (“**HCH**”), an affiliate of Lake Park, is the successor in interest to CJUF III Harper Court LLC, and is the Developer under the RDA. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the RDA.

The Developer is submitting this Annual Compliance Report pursuant to Section 8.25 of the RDA, along with a Requisition Form requesting a payment to Lake Park as the Registered Owner of City Note B.1

I. Occupancy Covenant

Section 8.06(b) of the RDA requires the Developer to maintain occupancy of at least 65% of the Retail Space and at least 50% of the Office Space in the Project. HCH hereby certifies that at least 65% of the Retail Space and 50% of the Office Space has been occupied, on average, over the course of the last year, and the Retail Space is being used in conformance with the Ground Lease and the terms of Section 8.06(c) of the RDA. A total of approximately 62,660 square feet of the Retail Space (84.85%) and approximately 150,000 square feet of the Office Space (100%) now is occupied by tenants.

II. Financial Statements

Pursuant to Section 8.13 of the RDA, financial statements for Lake Park for the year ending June 30, 2016 and 2015 are attached hereto as Exhibit A. Separate financial statements for HCH are not prepared. However, financial statements for The University of Chicago, the sole member of HCH, are available at:

<https://finserv.uchicago.edu/reporting/statements/shtml>

III. Insurance Certificates

Pursuant to Sections 8.14 and 12 of the RDA, certificates evidencing that the required insurance is in effect are attached hereto as Exhibit B.

IV. Non-Governmental Charges

There are no Non-Governmental Charges related to the Property or the Project which are due and unpaid.

V. Job Creation

Pursuant to Section 8.21 of the RDA, HCH has used commercially reasonable efforts to create full-time equivalent jobs with respect to the Retail Space and Office Space. As of the date of this Annual Compliance Report, approximately 178 full-time equivalent jobs exist in the Retail Space (99 full-time and 79 part-time jobs) and approximately 550 full-time equivalent jobs exist in the Office Space.

VI. Affordable Housing Covenant

Section 8.23 of the RDA sets forth a covenant with respect to the Affordable Housing Requirements. As of the date of this Annual Compliance Report, no dwelling units have been constructed as part of the Project.

VII. No Defaults

The undersigned hereby certifies that, to the best of his knowledge, HCH is in compliance with all other executory provisions of the RDA.

A Requisition Form is enclosed, requesting payment under City Note B in the amount of \$3,815,000.

This information is submitted in accordance with the compliance and reporting requirements of the RDA.

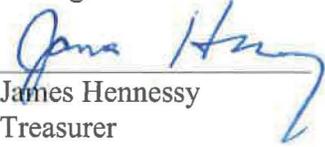
Please contact me if you have any questions.

Sincerely,

HARPER COURT HOLDINGS, LLC,
an Illinois limited liability company

By: LAKE PARK ASSOCIATES, INC.,
an Illinois corporation

Its: Manager

By: 
Name: James Hennessy
Title: Treasurer

cc: Sandra N. Fried
Jeffrey N. Owen
Paul W. Shadle